## **HOUSE BILL 2231**

## By Calfee

AN ACT to amend Tennessee Code Annotated, Title 49, relative to the basic education program (BEP).

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-3-307(a), is amended by deleting subdivisions (1) and (7) in their entireties.

SECTION 2. Tennessee Code Annotated, Section 49-3-307, is amended by adding the following language as new subsection (c):

- (c) Notwithstanding § 49-1-302, § 49-3-351, or any other law or rule to the contrary, effective with fiscal year 2014-2015, the Tennessee BEP shall be calculated using the following criteria:
  - (1) BEP appropriations to LEAs for the 2013-2014 school year, plus appropriations to LEAs generated for annual BEP component cost adjustments based on the 2013-2014 school year, shall constitute a base amount of funding; and
  - (2) The fiscal capacity index developed by the Tennessee advisory commission on intergovernmental relations shall be used as the measure of fiscal capacity of LEAs in the BEP. A city or special school district shall be assigned the fiscal capacity of the county in which it is located.

SECTION 3. This act shall take effect July 1, 2014, the public welfare requiring it.